



Getting Ready to Retire: Health Insurance Issues



Louisiana Department of Insurance
Jim Donelon, Commissioner
www.lidi.state.la.us

What are the questions? Where are the answers?

Before making the decision to retire, understand the health insurance options available to you (and to your spouse if you are married). Which questions you need to ask depends on:

- how old you are.
- how old your spouse is.
- whether you or your spouse is eligible for Medicare.
- whether you or your spouse will continue to be employed.
- how many employees the employer has.

For reliable, objective answers call the Senior Health Insurance Information Program (SHIIP) at **1-800-259-5301**. We will answer your questions and refer you to the proper place if you need further information or assistance.

Retiring Under Age 65

Retirement Benefits: You may have continued health coverage when you retire.

- If you or your spouse works for a public employer in Louisiana such as a public school or city, parish or state government, you will be allowed to continue the employer group health coverage in retirement.
- A nonpublic employer may choose to offer you continued coverage under a retirement health plan. Check to see how long the employer coverage lasts.
- If your spouse is working, you may be able to continue coverage or become enrolled in his/her employer group health plan.

COBRA: if you will not have a retirement health plan, you may be able to continue your group health insurance under the law.

- Federal COBRA law applies to employers with 20 or more employees. You are allowed to continue your coverage under the employer group health plan for up to 18 months. COBRA will end sooner if you become eligible for Medicare. In some cases, a spouse may have longer periods of coverage.
- Louisiana law includes employers with fewer than 20 employees. It could be possible to continue your coverage under the employer group health plan for up to 12 months. Call the Louisiana Department of Insurance Quality Management Division at **1-800-259-5301** for more information.

Age 65, Retired and No Working Spouse

- Medicare is your primary insurance regardless of any other health insurance you have. You should enroll in Medicare Part A and Part B. If you don't enroll at this time, you may pay a higher premium later.
- Call Social Security at 1-800-772-1213 or the Social Security office servicing your parish to enroll in Medicare.
- If you have retirement health insurance, it will pay after Medicare. If you need a Medicare supplement policy, you will have a six-month open enrollment period beginning on the date your Medicare Part B coverage starts.

Age 65 or Older, and You or Your Spouse Works

- If the employer has 20 or more employees, you and your spouse must be allowed to continue any health insurance coverage you had before age 65.
 - ✓ The employer health plan will be the first payer on claims.
 - ✓ You or your spouse should enroll in Medicare Part A when eligible. It is free for most people and provides benefits in addition to an employer plan.
 - ✓ Enrolling in Medicare Part B isn't necessary until you or your spouse quits working or drops out of the employer health plan. This protects your right to get a Medicare supplement, and you won't have to pay a higher premium for your Medicare Part B.
- If you or your spouse is enrolled in Medicare before retiring, employer group health coverage can be continued under the COBRA law. Medicare will pay the full premium for the employer plan, and it will supplement your Medicare. It is necessary to enroll in Medicare Part B when you retire, or you may pay a higher premium later.
- If you do not have a retirement health plan when you quit working, consider buying a Medicare supplement policy. You will be eligible for a six-month open enrollment period that starts on the date your Medicare Part B coverage starts, regardless of your age. During open enrollment you can buy any Medicare supplement a company sells in Louisiana.

Issues a spouse should consider

- Does the employer continue coverage for a spouse when an employee retires?
- Does the coverage continue when the spouse is eligible for Medicare?
- Does the spouse's coverage continue if the retired employee becomes eligible for Medicare or dies?
- Do any other limits apply to insurance for the spouse?

SHIP Resources:

- Louisiana Guide to Health Insurance for People with Medicare
- Louisiana Medicare Supplement Comparison Guide
- Medicare & You Handbook
- Individual counseling: Call 1-800-259-5301